Agricultural Situation

AUGUST 1958
Vol. 42, No. 8

Agricultural Marketing Service
U. S. Department of Agriculture

CROP PRODUCTION IN 1958 MAY EQUAL RECORD

Crop production in 1958 may equal the highest ever recorded in this country, despite a record low planted acreage, in the judgment of the Crop Reporting Board. The Board's estimate on July 1 is based upon an analysis of information received from thousands of farmers throughout the country who act as voluntary crop reporters.

Skill a Factor

Prospects of a record crop are a tribute to the ingenuity and proven know-how of the United States farmer. For four consecutive years, now, farm production has held at about an even keel at the highest point in our history.

A record-equalling production is possible from what may be the lowest planted acreage ever recorded—330 million acres, because average crop yields this year are likely to be the highest in United States history. On July 1, crop prospects had been poor to fair only in a small strip along the Canadian border centering on the Montana-North Dakota line and a section from South Carolina to eastern Texas.

Crop yields per acre have been climbing steadily, with only an occasional break for at least 25 years—they are up nearly one-fifth since 1954 and just about double what they were in the drought year of 1936.

Of course a great many factors, notably weather, could bring final production figures upward or downward. In midsummer, however, it appears that 1958 will be another bumper crop year, unless there are such unusual hazards as repeated and severe droughts. Plenty of irrigation water is helping western areas.

An important reason for the low planted acreage in 1958 is that farmers have put about 17 million acres in the Soil Bank. A major reason for the anticipated record production is that acreage losses of crops are expected to be extremely small this year. As of July 1, there is a chance total acreage losses in 1958 will be the smallest since 1949.

Winter Wheat

Highlight of the per-acre crop picture is the record high winter wheat yield. One Wheat Belt farmer summed up the thought of his neighbors: "Old men have never seen anything like it."

Losses in winter wheat are very light, and yields are setting a record at over 27 bushels per acre. This is 5 bushels

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more than the best previous mark. A record soybean acreage was planted this year and is doing well. A near record barley crop is in prospect.

Sorghum grain producers, on the other hand, may cut back their acreage as much as one-fifth this year from the record 1957 figures. Some farmers had difficulty conditioning their grains for storage and market last year. The increase in wheat plantings and the scant loss in wheat acreage has left fewer acres available for sorghum.

Durum

Another drastic cutback is in durum wheat where the crop is expected to be only 40 percent as large as last year.

Cotton acreage harvested apparently will be 12 percent less in 1958 than last year, mainly because 5 million acres have been placed in the Soil Bank. Yields in central and southeastern States may well be higher than the waterlogged outturn of last season.

Corn looks like more than a 3 billion bushel crop again in 1958 despite a cool, slow start. Total oat production, despite early setbacks, is expected to be only slightly below last year. Production of feed grains is likely to be about 6 percent below last year. Forage crops will supply ample feed for livestock. Pastures are almost as good as last year and much better than average. The hay crop is 6 percent below last year's record which left a large carryover in some areas.

Tobacco production is expected to be slightly above last year, but way below average. The tobacco country was unusually wet and cool during the early season which meant a late start. Burley may be up a little over last year's production; flue-cured, up moderately, but far below average.

Flaxseed on July 1 was bouncing back after a losing bout with the aster yellows disease last year. The acreage is down from last year, but production may be boosted more than one-fifth.

Production of late summer potatoes generally harvested by October 1, is expected to be 10 percent above the same period a year ago. Fall potato acreage, largest proportion of the total, is 7 percent above 1957. Sweetpotato production, however, continues a downward trend.

Summer vegetable and melon production is over 10 percent larger than a year ago. Melons, particularly, should be very plentiful in 1958. Processing vegetable acreage is below both last year and average.

Deciduous fruits are up about 2 percent from last year. There is a big apple and peach crop in the making. Citrus production is expected to be below last year and below average. Nut crops may average a few points below last year. There is a particularly large drop in filbert prospects.

Eggs

Egg production is running high, even though there are fewer layers on hand than a year earlier. Hens are laying more eggs than normally. Milk production for the first half of 1958 is very slightly below that for the first half of 1957.

Thousands of farmers made this forecast possible by filling out and mailing in their reports to the Crop Reporting Board. They have performed a similar service for themselves and all this country's 5 million farmers year after year.

Charles E. Burkhead
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The Agricultural Situation is sent free to crop, livestock, and price reporters in connection with their reporting work.

The Agricultural Situation is a monthly publication of the Agricultural Marketing Service, United States Department of Agriculture, Washington, D. C. The printing of this publication has been approved by the Director of the Bureau of the Budget (January 16, 1956). Single copy 5 cents, subscription price 50 cents a year, foreign 70 cents, payable in cash or money order to the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.

Farmers' Net Income Is Up One-fifth At Halfway Mark

Net income realized by farm operators in the first half of this year was more than one-fifth above the same period last year. Record receipts from sales of products more than made up for increases in production expenses.

Farmers' sales of crops, livestock, and livestock products totaled $13.8 billion in the first half of 1958. This was almost 5 percent more than the previous record set in the first half of 1952. It was 11 percent more than in the first half of 1957.

Gross Income Record

Gross farm income, which includes value of crops and livestock sold or used in the farm household, Government payments to farmers, and the rental value of the farm home, also reached a new high.

Net income realized by farm operators in the first half of this year was at a seasonally adjusted annual rate of $13.3 billion, up 22 percent from the revised figure for the first half of 1957. The revised figure for the first half of last year is 6 percent lower than the preliminary estimate published earlier this year.

Farmers' gross income in the first half of 1958 was boosted above the 1952 record by a 17-percent increase in marketings. This more than offset the 12-percent drop in the average of prices received by farmers.

Because of the increase in production expenses since 1952, net farm income during the first half of 1958 remained well below its post-World War II and post-Korean conflict highs. But it was at the highest first half rate since 1953.

Farmers' realized net income for the entire year 1958 is not likely to exceed 1957 by as much as it did in the first half of 1958. Prices received by farmers in the second half of this year probably will average lower than in the first half.

Fall Prices

There was some decline in average prices of farm products in June, and as this year's near-record output comes to market in the fall, there may be some further decline in prices. Nevertheless, farmers' realized net income for the year as a whole likely will total substantially above that for 1957.

The 11-percent increase in total cash receipts from the first half of 1957 to the first half of this year was due to an 8-percent increase in average prices and 3-percent increase in sales. The 3-percent increase in quantity sold partly reflected delayed marketings of some crops, such as corn and cotton, from last year's harvest.

Total cash receipts in the first 6 months of 1958 included $9.1 billion from livestock and livestock products and $4.7 billion from crops. The livestock total was up 12 percent from last year's $8.2 billion. A 14-percent rise in average prices more than offset a slight decline in volume.

Cash receipts from meat animals were up nearly 20 percent. Receipts from poultry and eggs rose 15 percent. There was a slight decline in receipts from milk and butterfat.

Crop Receipts

Total crop receipts were up 10 percent from the $4¼ billion received in the first 6 months of 1957. This increase was due almost entirely to larger marketings, because prices of crops averaged practically the same in the first halves of both years. The increase in crop receipts was mostly in corn, fruit, and vegetables.

Ernest W. Grove
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SESAME!—A CASH CROP FOR SOUTHERN GROWERS

"Open sesame!" was the magic password that brought "money in the bank" to Ali Baba in the Arabian Nights. But that was only an oriental dream of the ninth century.

Soberly, though, sesame can pay off in a modest way today. One of the oldest oilseed crops cultivated by man, it is giving promise of being a relatively new cash crop for farmers in the South. While domestic output has expanded rather slowly since 1951 when it was first produced commercially in this country, the outlook is for further increases over the next several years.

New Varieties

Important factors are the development of nonshattering varieties of sesame seed adapted to mechanical production, the need to replace some crops now in surplus and utilize acreage, and increased demand for whole seed for food. The high quality of sesame seed oil as an edible oil also should contribute to the development of a domestic crop.

Research is being directed toward the development of both shattering and nonshattering varieties of sesame. The shattering type is for use as whole seed and requires considerable hand labor in harvesting, whereas the nonshattering type is suitable for mechanical harvesting and is a source of edible vegetable oil.

Research efforts in recent years have been devoted mostly to the development of new nonshattering varieties which can be harvested with a combine. This type of sesame is high in oil content, making it acceptable to the oilseed crusher.

Even that, however, is not enough. Researchers want to breed high yield, high oil varieties resistant to production hazards, suitable to the requirements of the whole seed trade for direct human consumption.

U. S. requirements for whole sesame seed and oil currently are being met chiefly from imports. These have ranged from a high of 146 million pounds in 1935 to only 1 million in 1945. In 1957, they totaled 15 million. Today the U. S. relies mainly on Latin American imports.

It's estimated that U. S. acreage in whole seed would have to be doubled merely to meet present domestic requirements. Production can be fur-

ther expanded to meet the demand for specialty uses of sesame oil, but at a reduced return to the farmer.

Expansion beyond this would result in competition with the lower priced major oilseeds domestically produced. To compete, sesame yields per acre would have to be substantially increased and production costs decreased.

In this event the seed would move into the oilseed crushing industry. Oil and meal demand probably would increase when large quantities are available regularly at prices comparable with those of competing oilseed products.

Seed Content

Sesame seed contains about 50 to 55 percent excellent edible vegetable oil, and the remaining meal contains about 25 percent protein. It produces more oil per acre than the other commercial edible oilseed crops grown in areas adapted to it.

That's why sesame may be a key for a modern farmer to at least some modest returns, though not to the fabulous treasure in Ali Baba's cave.

The major marketing outlet for sesame in this country today is whole seed. The bakery and confectionary industries annually take at least 6 million pounds of whole seed for a wide variety of products. Sesame is best known as a topping and decoration on bread, rolls, and buns.

Sesame seed oil in the U. S. is used in specialty products, such as cosmetics, pharmaceuticals, and insecticides. However, in other countries it is used as a salad and cooking oil, as well as in the manufacture of margarine and shortening.

Sesame meal, the residue after the oil has been extracted from the seed, has in addition to the protein content, nutritives which make it valuable as a livestock feed.

The crop is well adapted to the climate of the Cotton Belt. It is grown under both irrigated and dryland conditions, from South Carolina to California. However, main production is in Texas. In general, sesame will produce about as much seed per acre, as cotton.

In 1957, domestic growers harvested an estimated 15,000 acres, nearly all in Texas. Present indications are the 1958 acreage may increase to around 17,000. Average per acre yield in 1957 was about 600 pounds of seed.

Some sesame growers produce and sell their crop under contract. Others sell it during harvesting at current market prices. Most sesame is channeled through seed marketing firms. in 1957, No. 1 sesame seed brought an average of $208 per ton in Texas. This was a slight increase from a year earlier.

If economic conditions result in a greatly increased output, peanut and cottonseed oil mills having excess capacity are already available to crush the seed.

Sesame seed requires no preparation other than cleaning for crushing into oil and meal. It is readily processed by conventional oil milling equipment including hydraulic and continuous screw presses and by solvent extraction.

Crude sesame oil is very light, resembling refined cottonseed or peanut oil. It is low in free fatty acids, is readily refined and bleaches to a nearly water white oil by conventional methods. It is readily hydrogenated by conventional techniques to yield a hardening fat of shortening consistency. From the standpoint of ease of processing and utility as a food fat, sesame oil possesses many advantages in comparison to other common vegetable oil.

Limitations

Despite the many advantages of sesame as an oilseed crop, its production has been confined to areas with an abundant supply of cheap labor because of two inherent characteristics of the plant. One is uneven ripening of the seed pods, the other, a tendency of the seed to shatter when ripe.

The southern sesame farmer will never strike it rich with sesame. But research can be his key to the development of a new domestic oilseed crop that may put additional dollars in his pocket.

George W. Kromer
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GRAIN STORAGE ROOM IS ON THE INCREASE

Each year, farmers face the task of storing huge quantities of grain they have produced. With a record winter wheat crop, near record barley crop, and a 3.3 billion bushel corn crop in prospect, this year is no exception.

Farmers have the first responsibility in getting the storage job done. They have the most to lose when disorderly marketing depresses prices.

Need Being Met

In spite of the prospects of abundant grain production in 1958, the overall chances are good that this year's crop will get under cover. Additions to farm and commercial storage facilities during recent years have generally kept pace with the need for handling both current production and the large surpluses accumulated from previous crop years.

The Agricultural Estimates Division of the Agricultural Marketing Service and the Commodity Stabilization Service recently surveyed storage capacity on farms in eight important grain States—Colorado, Illinois, Kansas, Minnesota, Missouri, Nebraska, and North and South Dakota.

The survey showed there are facilities in these States to store on farms about 2½ billion bushels of small grains and 1⅛ billion bushels of ear corn. About 25 percent of the small grain storage facilities had been built since 1950.

Producers in these eight States intended to add more than 100 million bushels of storage capacity during 1958. There is much evidence that additional building is the trend in other, unsurveyed, areas.

Commercial storage for grains also has increased. From 1954 to late 1957, more than 625 million bushels of capacity were added, bringing the nationwide commercial total to about 3½ billion bushels. This may be increased by at least another 300 million bushels during 1958.

To help farmers keep abreast of their storage needs, the U. S. Department of Agriculture and State agencies offer assistance in planning and financing storage on farms.

Early this spring, USDA extended programs offering special loans to finance farm storage and drying equipment. In recent years, farmers have used this special loan program to add about 350 million bushels of farm storage. The loans may be arranged through local county Agricultural Stabilization and Conservation offices.

In many States, agencies have a variety of plans and construction advice available for farmers' use. County extension agents are the first source of this material.

To get maximum use of farm storage, farmers in specific areas are given an opportunity to reseal for another year many grains already under price support loans. This means that farmers who do not need all their storage space for current production can reseal old crops to keep their bins full, earn storage payments, and, at the same time, help to ease the overall storage situation.

Federal Help

Government-owned inventories frequently are moved from congested areas to relieve storage shortages. Government wheat, for example, is being moved from short storage areas in the Midwest to vessels of the reserve maritime fleet in east coast anchorages.

In addition, USDA has been keeping the situation under continuous study to spot areas of potential storage difficulty. But in the final analysis, farmers have the most to gain by keeping a running check on their own storage needs.

Robert S. McCauley
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Sidney V. Caughey, Associate Director
Grain Division, CSS

More Replacement Chicks To Increase Laying Flock

Large increases over last year in May and June hatchings of egg-type chicks have changed the egg price outlook for the last few months of 1958.

Earlier, monthly hatchings had shown only modest increases over the year before, leading poultrymen to expect the January 1, 1959, flock of egg-laying birds would be no larger than at the beginning of 1958.

New Outlook

Sharp increases in May and June chick hatchings have, however, changed that outlook. Now prospects are that the flock at the beginning of 1959 definitely will be larger than the 352 million hens and pullets that were on hand on January 1, 1958.

The prospective larger flock is going to lay more eggs for two reasons. First, because of the increased number of birds, second, because the trend toward a higher rate of output per bird is likely to continue during the fall and early winter.

Therefore, monthly egg production during the last few months of 1958 will almost certainly exceed that for the corresponding months of 1957. Probably the percentage increase will be larger than the increase in population during the same period.

When it had looked like we were leading up to a year-end flock hardly larger than last year, the increased number of eggs would have barely kept up with the population increase, so egg prices were expected to close the year almost up to the favorable level of a year earlier. Now it seems most likely that year-end egg prices will fall noticeably short of the 44.2 cents per dozen which was the U. S. average price received by farmers in mid-December 1957.

The increase in May and later hatchings is the *only* changed factor which leads to the new, less optimistic outlook.

Through April, the 1958 hatchings had been 7 percent above January–April 1957. Since there were so many old hens which will have to be replaced, an increase of hatchings of almost that percentage could have been accommodated without expanding the 1958–59 laying flock.

In May, however, hatchings went 23 percent over last May. In June, hatchings were 40 percent over last June. July 1 eggs in incubators for replacement stock were 19 percent above the year before. It all adds up to a likely increase of about 5 percent in the number of layers on hand January 1, 1959.

The well-sustained prices that farmers paid for these late-season chicks suggested that their large numbers are in response to an avid demand from producers.

In some past years, hatcherymen set eggs speculatively, in anticipation of later orders, and then had to cut prices to sell the chicks. Not so in 1958. On June 1, hatcheries charged an average of $34.10 per hundred for pure breed and $51.70 for in-cross (hybrid) sexed pullets.

Problems Complex

It would be an over-simplification to say that this prospective increase in numbers of layers, plus the effect of the increased rate of lay which is also expected, will have the effect of dropping egg prices by X cents per dozen from the price that otherwise would have prevailed.

Not only is the relation between supply and price somewhat less exact than such a statement would imply, in addition there are uncertainties such as weather and fickle consumer demands.

Still, even allowing for such uncertainties, the prospective increased flock is not a favorable factor for egg producers.

Edward Karpoff
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Cotton in Cultivation Down 12 Percent

Cotton in cultivation on July 1, 1958, is estimated at 12,402,000 acres by the Crop Reporting Board. This is 12 percent less than the 14,066,000 acres in cultivation on July 1, 1957. The 1947–56 average is 22,611,000 acres.

Heavier participation in the Soil Bank largely accounts for the reduction. Nearly 5 million acres were placed in the Bank this year compared with 3 million in 1957.

Changes

This is the first report to be issued under amended legislation requiring that the Crop Reporting Board's initial report relate to the acreage actually planted. In previous years, the law specified that this report should give the acreage in cultivation on July 1 of each year.

To comply with the law, planted acreage estimates are included in the July 1 report for the first time. Future cotton acreage reports will show the acreage of cotton planted rather than the acreage in cultivation July 1. The change will make cotton acreage reports comparable with those for other important crops.

The first estimate of acreage for harvest will be issued September 8. However, if growers harvest the same percentage of the acreage in cultivation on July 1 that they harvested, on the average, during the past 10 years, then the 1958 harvested acreage would be the smallest since 1876. It would approximate 11,928,000 acres, compared with 13,558,000 acres in 1957.

The 1958 planted acreage is estimated at 12,584,000 acres as of July 1. This is 12 percent less than the 14,310,000 acres planted in 1957. It compares with the 1947–56 average of 23,192,000 acres. About 1.4 percent of the planted acreage this year was not in cultivation July 1, compared with 2.3 percent, the 1947–56 average.

Texas led all other States in planted acreage on July 1 with 5,725,000 acres, 9 percent below the July 1, 1957, figure of 6,260,000 acres.

John J. Morgan
Agricultural Estimates Division, AMS

MDC test detects quality in nonfat dry milk

The DMC test for fluid milk is well known to most dairymen—but do you know about its application as a method of judging the quality of nonfat dry milk?

Dairy specialists in the Agricultural Marketing Service recently completed an evaluation study of the Direct Microscopic Clump Count applied to nonfat dry milk. This test is a good indicator of the quality of raw milk used and the hygiene in the manufacture of nonfat dry milk.

What they set out to determine was the degree of "reproducibility" of the DMC test, the extent to which laboratory technicians could achieve consistent results when using this method for testing samples of various known bacterial levels. They learned that laboratory technicians can achieve reasonably reproducible results if they have been carefully and thoroughly trained in applying the test and have the proper equipment.

U. S. Standards for Nonfat Dry Milk recently were amended to include a maximum DMC count for any nonfat dry milk to which a U. S. grade is applied.

The USDA dairy marketing specialists feel that the study has shown the way for consideration at a later date of maximum DMC counts as the basis for applying each of the U. S. grades, U. S. Extra Grade, and U. S. Standard.

Increased use of the DMC count by the dry milk industry could, they feel, result in further improvement in product quality and benefits to dairy producers and consumers.

Ed Small
Dairy Division, AMS

ARE CORN PRICES BECOMING MORE STABLE?

The swing in corn prices from seasonal low to seasonal high has been much less during the past decade than in the two decades before Pearl Harbor.

There is also a tendency for prices to decline earlier in the fall and to reach their seasonal high earlier in the summer. Finally, there has been less variation about the normal seasonal pattern in postwar years.

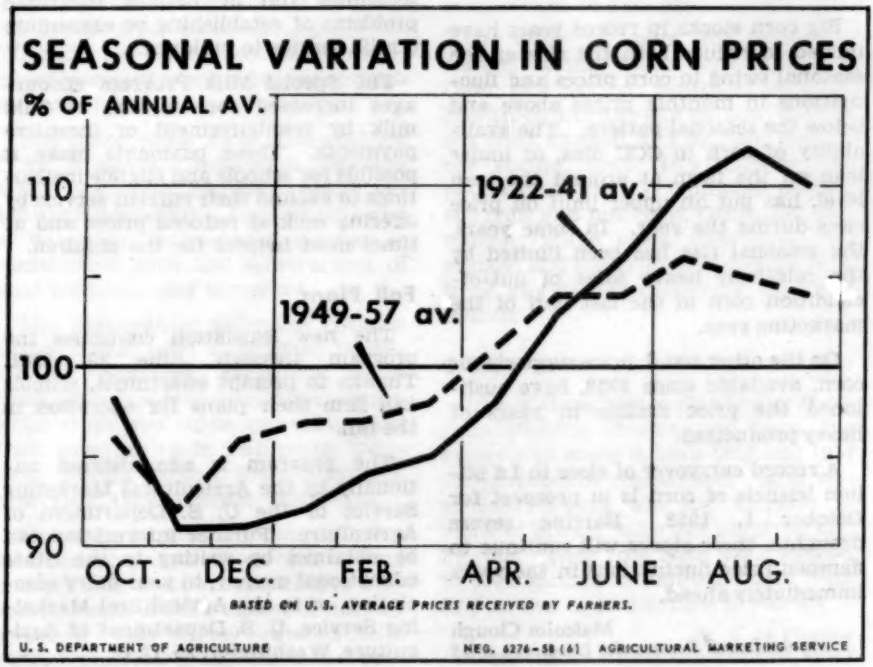
Area Differences

The seasonal patterns discussed here are based on United States average prices. Seasonal patterns, of course, would vary by areas because of differences in time of harvest, local demand, and other factors.

The seasonal swing in the United States average price of corn for 1949–57 has varied from 92 percent of the yearly level in November to 106 percent in July. This was one-third less than in the prewar period 1922–41, when the seasonal index rose from 91 in November to 112 in August. The recovery from the seasonal low has been much more rapid in postwar years, rising 4 percent from November to December. There was practically no rise in the same period of 1922–41.

Following this rapid recovery, the rise from December to July in postwar years has been less than before the war. The average rise of 10 points for these months of 1949–57 was only about half the seasonal rise for the same months of the prewar period.

Fluctuations in corn prices about the average seasonal index have been much less pronounced since 1949. November



prices in 1949–57, for example, expressed as a percentage of the yearly average, have never varied more than 6 points from the November average of 92. They have ranged, that is, from 87 to 98 percent. In 1922–41, the variation in November prices was nearly 3 times as great.

Variations for other months for the two periods reveal similar comparisons. The differences are especially pronounced for April. In 1949–57, the price percentages for April have never varied more than 2 percent from the average of 101. In the prewar period they ranged from 15 percent below to 17 percent above the average.

Two Factors

The greater stability in corn prices in recent years appears to be largely the result of two factors.

First, there was much less variation in production during 1949–57 than in prewar years. Second, carryover stocks have been much larger, totaling over a billion bushels in recent years. Most of this corn has been under loan or owned by the Commodity Credit Corporation.

Big corn stocks in recent years have tended to reduce both the size of the seasonal swing in corn prices and fluctuations in monthly prices above and below the seasonal pattern. The availability of corn in CCC bins, or under loan on the farm at around the loan level, has put an upper limit on price rises during the year. In some years, the seasonal rise has been limited by the relatively heavy sales of out-of-condition corn in the last half of the marketing year.

On the other hand, price supports for corn, available since 1933, have cushioned the price decline in years of heavy production.

A record carryover of close to 1.6 billion bushels of corn is in prospect for October 1, 1958. Barring severe droughts, these stocks will continue to dampen price fluctuations in the years immediately ahead.

Malcolm Clough
Agricultural Economics Division, AMS

Milk Program Helps Dairymen, Children

Dairymen will have bigger markets for milk, and children will have a chance to obtain larger quantities of this health building food, thanks to legislation extending the Special Milk Program for 3 years.

During the last fiscal year, dairymen sold nearly 2 billion half-pints of milk to children in 75,000 elementary schools and high schools and in nonprofit child-care institutions, such as settlement houses, summer camps, child-care centers.

This is in addition to milk served children taking part in the National School Lunch Program. It is another major contribution by the industry to bolstering the health of the Nation's children.

The availability of milk is a key factor in the success of the program. Consequently, dairymen can help the program succeed by working with schools and institutions in planning delivery schedules and by helping overcome problems of establishing or expanding a milk service to children.

The Special Milk Program encourages increased consumption of fluid milk by reimbursement or incentive payments. These payments make it possible for schools and eligible institutions to expand their current service by offering milk at reduced prices and at times most helpful for the children.

Fall Plans

The new legislation continues the program through June 30, 1961. Thanks to prompt enactment, schools can firm their plans for operation in the fall.

The program is administered nationally by the Agricultural Marketing Service of the U. S. Department of Agriculture. Further information can be obtained by writing to the State educational agency, to your dairy association, or to the Agricultural Marketing Service, U. S. Department of Agriculture, Washington 25, D. C.

Nursery Product Sales Show Large Gains

Sales of 8 classes of nursery products reported by growers in 10 selected States had a wholesale value of $59 million in 1957, 85 percent higher than the 1949 Census figure of $31.9 million, according to a recently completed survey by the Crop Reporting Board. Only a small part of the larger value can be attributed to higher prices.

There are many reasons why the commercial nursery industry has experienced one of its greatest periods of growth since World War II. They include a rapidly expanding population, increased urbanization, and a rising standard of living.

Housing Boom

These factors triggered the boom in single and multiple dwelling housing which continues even today in many areas. The Age of the Suburbanite has greatly increased the demand for nursery products for landscaping purposes. With this has come a secondary growth in replacement plant sales for grounds already planted.

New sales fields have also resulted from industrial expansion, because many new plant facilities require extensive landscaping. Landscaping also is becoming increasingly popular in conjunction with the construction of dual highways and turnpikes.

The Agricultural Estimates Division survey covers sales of conifers, broad-leaved evergreens, deciduous shade trees, deciduous shrubs, rose plants, grape vines, and citrus and subtropical fruit trees grown in California, Colorado, Florida, Illinois, Iowa, Michigan, New York, Ohio, Oregon, and Texas.

These States were selected to get a good geographical cross-section and because they included the leading producer of each of the 8 classes of nursery products. The survey covered over 3,100 commercial producers, that is producers and sellers of at least $1,000 worth of nursery products in 1957. Only producers having at least 1 of the 8 selected classes were included.

Nearly 7 million coniferous evergreens, 14 million broad-leaved evergreens, 3.5 million deciduous shade trees, 9 million deciduous shrubs, 41 million rose plants, 9.5 million deciduous fruit and nut trees, 6 million grape vines, and over 3 million citrus and subtropical fruit trees were grown and marketed in the 10 States in 1957.

It is estimated that these States grow over three-fourths each of the country's rose plants, grape vines, and citrus and subtropical fruit trees, and about one-half each of the coniferous and broad-leaved evergreen plants, deciduous trees and shrubs, and deciduous fruit and nut trees.

In value of sales of each class, rose plants led with $13.2 million, followed by conifers, $12.8 million; broad-leaved evergreens, $11.9 million; deciduous shade trees, $6.2 million; deciduous fruit and nut trees, $5.4 million; citrus and subtropical fruit trees, $4.9 million; deciduous shrubs, $4.0 million, and grape vines, $0.4 million.

In value of sales for individual classes, leading States were: Conifers, Ohio, $3.4 million; broad-leaved evergreens, California, $5.8 million; deciduous trees, Oregon, $1.1 million; deciduous shrubs, Iowa, $0.9 million; rose plants, California, $7.0 million; deciduous fruit and nut trees, California, $2.3 million; grape vines, California, $0.2 million, and citrus and subtropical fruit trees, Florida and California, each $2.3 million.

Comparisons

In 5 of these States, California, Colorado, Florida, Illinois, and Iowa, the survey was made in both 1956 and 1957 for purposes of comparison. Most significant change was the increase in value of grower sales in California and Florida. They rose from $20.0 million to $20.8 million in California and from $4.5 million to $5.0 million in Florida.

R. A. McGregor
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How Will Poultry Inspection Help The Grower?

Poultrymen, for the past several years, have been operating one of the most rapidly growing and changing of agricultural industries. Further advances are in sight with the enactment of the Poultry Products Inspection Act, requiring poultry to meet the same requirements that have been in effect for red meats for half a century.

Confidence

The Poultry Inspection Branch of the Agricultural Marketing Service, U. S. Department of Agriculture, feels that consumers will have even greater confidence in poultry and poultry products because after January 1, 1959, inspection for wholesomeness will be mandatory for all poultry moving in interstate commerce. By that date, it is expected, nearly 900 poultry processing plants will be operating under inspection.

Growers who have not previously sold their birds to plants operating under inspection may find these plants their chief outlet. Perhaps their only outlet.

In such plants, Federal poultry inspectors examine every bird processed. Those passed are packaged under an identifying symbol—a circular mark bearing the words, "Inspected for Wholesomeness by U. S. Department of Agriculture."

Inspections are conducted by qualified veterinarians or by especially trained inspectors under veterinary supervision.

Only birds determined suitable for human food are passed by these inspectors. Often birds treated for some condition may appear to have recovered and to be normal, but on post-mortem inspection are condemned as unwholesome. This situation may arise because of the bird's particular body structure which may still, when the carcass is examined, bear evidences of the condition for which the bird was treated.

Proper feathering is another thing the grower should watch. Poultry inspection regulations require that the carcass be free from feathers, protruding pinfeathers and vestigial feathers, hair, or down.

A flock which has a high percentage of barebacked chickens makes it difficult for the processor to comply with the requirements. Often a considerable amount of trimming may be necessary to remove portions of the skin, or extra labor may be required to "clean up" pinfeathered areas.

This, of course, decreases the yield to the processor and decreases the price he can pay the grower. If the birds have bruised and broken bones, this too reduces the processor's yield and the price he can pay the farmer. Careful handling should keep this loss at a minimum.

Under the Poultry Products Inspection Act, the processor has the major responsibility for supplying his customers with clean wholesome poultry. To do this, he must be sure of a good supply of healthy birds from the grower.

Thus, both the grower and the processor play a large part in the new Federal inspection program which is intended to assure the consumer of a supply of wholesome poultry. They may well expect to be rewarded by an increasing consumer demand for their product.

Dr. Jonathan K. Keim
Poultry Inspection Service, AMS

Cattle On Feed

Cattle on feed for market in 13 major feeding States on July 1 was estimated at 4,269,000 head by the Crop Reporting Board. This was a 16-percent increase from July 1, 1957. The States are Ohio, Indiana, Illinois, Minnesota, Iowa, Missouri, South Dakota, Nebraska, Kansas, Texas, Colorado, Arizona, and California.

FARMERS FIND JOB CHANCES BEST IN SMALLER PLANTS

Farmers or members of their families seeking manufacturing employment in nearby areas found their best opportunity from 1947 to 1954 in small plants manufacturing food and kindred products, apparel and related items, and machinery and transportation equipment.

These are among the conclusions in a new Agricultural Marketing Service study "Major Manufacturing Industries as Potential Sources of Employment in Low-Income Farm Areas."

The study is designed to supplement the USDA-published guide for studying the economy of pilot counties and help extension specialists, county agricultural agents, and others engaged in preparing a rural development program for their States.

Need General

Although the study revealed that the need for rural development work is great in 10 States studied, the situation also exists in some other areas.

In the 10 States selected, the farmer's net income realized averaged $1,550 or less per year in 1954. These States were Maine, Vermont, Pennsylvania, West Virginia, Virginia, South Carolina, Tennessee, Georgia, Alabama, and Mississippi.

Mechanization, AMS says, has helped in recent years to increase the size of the family farm. That's because the machines are now performing so much of the work which formerly required human effort.

But it isn't always possible to increase the size of a farm. When that happens, many farm producers or members of their family have had to hunt full or part-time nonfarm employment to supplement their income from farming.

In the South, a large proportion of farms are small—too small, many of them, to be classed as efficient farming units. That intensifies the problem. If the farm is too small to be an efficient unit, the operator usually needs supplementary employment and income. Otherwise his productivity and income suffer.

In many parts of the Nation manufacturing activity is not able to provide jobs for under-employed farmers. The situation is aggravated by the fact that it isn't only farmers who need additional income in a low-income farm area. In many such low-income rural areas, men who normally work as miners, for example, now require full or part-time nonmining employment because of increased mechanization in their own industries.

Pennsylvania, West Virginia, Virginia, South Carolina, Tennessee, Georgia, Alabama, Mississippi, and North Carolina showed a net increase of 175,000 persons employed in manufacturing from 1947 to 1954. This is true despite a decrease of 41,000 employed in 5 major industries.

The larger increases in employment in these States were in the manufacture of apparel and related products, food and kindred products, chemicals and its products, paper and its products, and furniture and fixtures.

To a lesser extent, job opportunities also appeared in plants manufacturing transportation equipment, printing and publishing plants, fabricated metal products and machinery.

Fewer Jobs

Employment decreased, on the other hand, principally in the fields of lumber and wood products, tobacco manufactures, and primary metal industries. Employment also decreased in plants manufacturing leather and leather products and textile mill products.

Encouraging, the study points out, are the possibilities for the establishment of new industries and for the moving of additional industries into the States studied.

Paul Mehl
Marketing Research Division, AMS

"Bert" Newell's Letter

It's way past early.

I got that expression from my grandson, Mike, when he was just beginning to tell time. One morning he woke up and not hearing the usual sounds that accompanied getting his father off to work, he rushed into his father's room and found him still asleep. Horrified, Mike shook him violently, shouting: "Get up quick. It's way past early."

That has become rather a favorite expression around our house. Every now and then when time slips up on me to the point where I feel about ready to duck behind the old excuse that it's too late I realize it's just "way past early." Then it's really astonishing to me how often I am glad I didn't try to slip by with the "too late" excuse.

Actually, it often works out that when we do pass up an opportunity to say a kind word or offer a little encouragement until it is really too late, the memory rises up to taunt us for a long time.

But what I was really thinking about when I started was the way we in the Crop Reporting Service constantly work against a deadline. For practically every report we issue, the day and exact time of release is announced a year in advance. Everyone concerned is notified and at release time the room is full of people and all the big newspaper and cable services are represented and waiting. So, when we announce that a report is to be issued on July 8 at 11 a. m., it has to be released at exactly 11 a. m.

Once several years ago a report was released on time (11 o'clock), but there was a slight delay in getting it on the cable. In a very few minutes Liverpool, England, cabled to find out why they hadn't received the report.

Another example is the time, about a year ago, when we put a summary sheet on the front of the report. It was well received by almost everyone, but of course it was not a part of the summary table most of the wire reporters use.

A representative of one of the large news associations complained it cost him 5 seconds to turn it over. That really surprised me to learn that just 5 seconds could be so important.

Getting out a report is a race with time. Take the big July Crop Report. The Crop Reporting Board went into its locked quarters at 5 a. m. That meant we had to be out of bed by 3:30 in order to get some breakfast and be down at the office by 4:45.

It reminds me of the days when I had to build the fire in the kitchen and get the milking done before going to school. My wife is a good sport though (she grew up on a dairy farm) and she drives me the 8 miles to the office. If she didn't, it would hardly be worthwhile to go to bed at all.

Inside the lockup there are plenty of times when it is nip and tuck to make that 3 p. m. deadline. Occasionally, it gets "way past early," but so far, in all of the years—about 32 of them—that I have known the Crop and Livestock Reporting Service we've always been on time.

This gets around now to those reports you send in each month. There isn't much time—only 8 or 10 days between the day you mail your schedule and the day and hour the report is released.

Imagine the job of tabulating and summarizing some 75,000 or 80,000 schedules and analyzing the results. So we all appreciate the way most of you get them filled out and back in the mail promptly. Oh, I'll admit some do come in at the very last moment and some get so far past early they are too late to be used. But by and large, I think it is remarkable what a fine job you do.

By the way, Mike's daddy wasn't late. Mike had forgotten it was Sunday and his father didn't have to get started at 5 a. m.

S. R. Newell

Chairman, Crop Reporting Board, AMS

Outlook

Livestock

Production continues high. The fall pig crop is expected to be up substantially, and an increase in cattle numbers is underway.

Some further decline in prices for fed cattle seems likely. This may well be accompanied by a further decline in feeder cattle prices. Feeder cattle prices, however, probably will remain well above those of a year earlier, through the fall.

Hog prices this fall are likely to average about the same as last fall and decline about seasonally. The 1958 spring pig crop, which will provide most of the fall marketings, is larger than that of 1957.

Dairy

Production for the first 6 months of 1958 was running just a shade under the record for the first half of 1957. Prices of milk and butterfat are likely to remain above average, in relation to feed prices, for the remainder of the year. Compared with prices of meat animals, however, milk prices are likely to stay below average through this year.

Eggs

About 10 percent more chicks probably are being raised for laying flock replacement this year than last. This points to larger egg production this fall than a year earlier. Prices may not rise as much as in the fall of 1957 and by the end of the year may be below those of a year earlier. In the next 2 or 3 months, however, prices are likely to rise seasonally.

Turkeys

The 1958 crop is likely to be down about 8 percent from last year. Marketings so far in 1958 have been almost one-fifth below those of 1957, but large supplies from storage have prevented prices from rising more than 2 cents a pound above a year ago.

Soybeans

Soybean acreage is a record. Farmers will harvest about 13 percent more acres than in 1957 if they carry out their July 1 intentions. Crushings from the record 1957 crop are highest on record, and exports are running close to last year's peak rates. Carryover on October 1 is expected to be from 25 to 30 million bushels. This would be 15 to 20 million bushels above a year earlier.

Feed

Feed grain production in 1958 is likely to be down 6 percent from last year, but total supply for 1958–59 will be a record because of the big increase in carryover. Large protein feed supplies also are expected because of the likelihood of a heavy soybean crop. Increasing hog production may up feed requirements in 1958–59 moderately from 1957–58.

Fruit

Larger prospective crops of peaches, apples, grapes, and strawberries boost total 1958 deciduous fruit output above last year. Supplies of citrus remaining from 1957–58 crop are, however, much smaller than a year ago.

Vegetables

Supplies of processed items are expected to total smaller than last year. Acreage planted is lower, carryover of canned vegetables is down moderately, and stocks of frozen vegetables are off substantially.

Potatoes

Summer prices are likely to remain relatively low. The summer crop is up 11 percent; fall harvest acreage, 7 percent.

Tobacco

Supplies of most grades are expected to be ample for 1958–59 because of fairly large carryovers.

In This Issue

Farmer's Share of Consumer's Food Dollar

May 1957	39 percent
April 1958	42 percent
May 1958	41 percent

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UNITED STATES
DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
WASHINGTON 25, D.C.
OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, $300
(GPO)

U. S. GOVERNMENT PRINTING OFFICE: 1958